

One-on-one meeting:

ABOUT THE EVENT

An NDR is a Non-Deal Roadshow, which means it is not arranged in conjunction with a deal such as an IPO or debt offering. NDRs are usually arranged by a sell-side firm (such as [REDACTED] etc.) to provide logistical support for companies looking to meet with members of the investment community.

Format of Meetings:

- Two small group meetings: breakfast & lunch. These group meetings generally have the following format [REDACTED] will start the meeting with a brief introduction of Ripple and then Brad will have an opportunity to provide a 5-10 minute overview that captures Ripple's key messages. The rest of the meeting will be Q&A.
- Four one-on-one meetings. These meetings are generally at the investor's offices and Jim may not be allowed to accompany you. After introductions, ask the investor directly what they would like to discuss; they will likely want to use the meeting for Q&A, but sometimes they like a quick walk-through of the presentation.
- You will be meeting with a mix of investors: long-only & hedge funds. There will be a range of knowledge—especially in the group meetings. Keep the discussion as high-level as you can. If you need to delve into technical details in order to answer an investors question, make sure to circle back to the key high-level messages.

Presentation

- The presentation [REDACTED] is bringing on his laptop will serve primarily as reference material although occasionally investors (usually the ones without deep knowledge of the Company) will ask you to walk them through the pitch.

Goal

- Educate/Raise awareness/correct misperceptions among large institutional investors
- Understand the questions/issues on investors' minds

Thursday, April 04, 2019**7:00 AM**

██████████s picked up from Sofitel
45 W 44th Street
New York, NY 10036

TBR Global ██████████
Signage Ripple
Confirmation: 12-3245772
Drive ██████████

7:15 AM - 7:45 AM

Meeting with ██████████
Ai Fiori
Private Room: Vernazza
400 5th Avenue, 2nd Floor
New York, NY 10018
██████████

7:45 AM - 8:20 AM
One on One

██████████
Private Room: Vernazza
400 5th Avenue, 2nd Floor
New York, NY 10018
██████████

Prateek provided the following feedback with regard to meeting format & content:

Questions submitted prior:

"We've looked at a couple crypto assets over the past year (e.g. Coinbase) but haven't made an investment in the space. We've also spent considerable time over the past three months looking at two private international money transfer businesses, though those did not leverage blockchain tech.

It'd be great to speed through the intro presentation since this is our first time meeting Brad and ██████████ but the two areas we'd like to focus on most are 1) what you see as the various use cases of XRP long-term and 2) how Ripple has adapted to the volatility in crypto over the past 12 – 18 months and whether stability is key to the long-term value prop."

Discussion/Questions during meeting:

- ██████████ looked at Coinbase but its too correlated with overall crypto sentiment
- What is revenue model now and in 5 years?
- What are the key features of your software contract?
- What is pushback from a ██████████ to working with you?
- How wide can you go in payments? Domestic?
- How do you value XRP?

8:30 AM - 9:30 AM
Group Meeting

Ripple Group Breakfast
Ai Fiori
Private Room: Vernazza Room
400 5th Avenue, 2nd Floor
New York, NY 10018
(212) 613-8660

Confirmed
██████████

Confirmed Attendees (7):
██████████



Will probably ask most of the questions during the breakfast meeting. provided the following as questions they may ask:

1. How is Ripple's XRP differentiated from other cryptocurrencies? In particular, Ethereum?
2. What are the limitations currently of the blockchain -backed networks? Network security, speed? Key limitations of Ripple's network?
3. How much lower are the fees leveraging a blockchain-based network like Ripple compared to traditional settlement networks?
4. Will these networks have a position to play in C2B payments - where V, MA and others have already developed secure, fast and fairly ubiquitous networks?
5. What is being done to resolve the "scalability issue" of blockchain? (on avg, supercomputers take 10 minutes to verify one bitcoin "block," which holds about 2,000 transactions. For context, Visa processes 65K txn/sec while bitcoin processes less than 10 txn/sec).
6. Partnerships update - with Next steps? When will cross border payments with them go from beta to live?
7. Regulatory environment for crypto both in the U.S. and Europe. Biggest barriers?
8. What is the txn volume on Ripple network? Economics - either via licensing or on a per txn basis?
9. Growth profile: Revenue growth, margin, free cash flow targets ? (Note from They realize you won't disclose, but they may ask the question anyway)
10. Biggest misperception about Ripple?

Questions/Discussion during meeting:

- How difficult is the implementation of xCurrent?
- Why not just use a stable coin? Is it faster with XRP or a stablecoin?
- What do and think of crypto?
- What are the major impediments you see to adoption?
- What are the tradeoffs between PoW and Consensus mechanism?
- How many transactions per day are currently occurring on the XRP ledger?
- Why and how does someone like use you?
- Are consulting firms building practices around this? What about and
- Why doesn't work with you?
- Are you more excited about xCurrent or xRapid?

10:00 AM - 11:00 AM
One on One

Confirmed



Actual attendees -

Rick primarily wants to get an overview of the competitive structure for cross border payments and how Ripple is a) distinctive, and b) has a sustainable advantage.

Questions/Discussion during meeting:

- How do you think of the market cap of XRP vs the future needs of xRapid?
- Can cause regulatory issues for you if they see you as competitive?
- Walmart remittance opportunities (white label with)

- How difficult is implementation - are you working with systems integrators and do they have practices built on this - why not?
- Can you use other assets in xRapid?
- What are key stumbling blocks for adoption? Why not more?
- Number of transactions?
- Why did [REDACTED] TO say what they did?
- What is biggest corridor today by currency and country?
- What is bigger - b2b or b2c payments today? What will be?
- Why no US Bank logos?
- What are the recurring fees?

11:30 AM - 12:45 PM **Ripple Group Lunch**
Group Meeting

Confirmed
GS Host: [REDACTED]

Private Room: Match Room
160 East 46th Street
New York, NY 10017

Confirmed Attendees (5):
[REDACTED]

Discussion/Questions

- Proof of Stake vs Proof of Steak sandwich (wall street is so clever)
- Are you only working with XRP?
- Competition that you face?
- Geographic spread of customers? What is critical mass of customers?
- What % of customers volumes are you currently managing vs SWIFT?
- Discussion of consolidation in the industry
- In 10-20 years will SWIFT exist?
- How much XRP volume is related to speculation
- Do you think other uses of XRP can be bigger than cross border?
- How much of XRP is owned by banks?
- Biggest hurdle to get xCurrent customers using xRapid?
- Are you building cash for a reason?
- Advantage of a stablecoin vs XRP?

1:15 PM - 2:15 PM **[REDACTED] (Telepresence Meeting)**
One on One **[REDACTED] (NY Host)**
Telepresence
Meeting

Confirmed
Host: None, as per investor's policy

Upon arrival please ask for [REDACTED]

Discussion/Questions during meeting

- Gave good explanation of SWIFT / correspondent banking system
- XRP too volatile - why not use a stablecoin?
- XRP value completely outweighs your efforts on SWIFT 2.0
- XRP - "nice idea" is there enough volume/liquidity in the markets
- View on [REDACTED]
- # of customers
- [REDACTED] what do you see them doing? Their acquisitions are typically tuckins that they bring immediate

scale to

- Who else is going after this opportunity
- Coinbase - why so expensive on fees - can buy bitcoin for free on Square

2:45 PM - 3:45 PM

One on One

Confirmed

Host: None, as per investor's policy

██████████ said she would like the meeting to be mostly Q&A with perhaps a 5-10 minute high-level presentation/commentary at the beginning of the meeting.

Questions/Discussion during meeting

- Had met with someone at company a few years ago
- Decentralizing corresponding banking
- In plain english - explain to me how your products work vs current system
- "I thought you had nothing to do with crypto"
- If the number of corresponding banking relationships has gone down, but the amount of trapped capital has gone up - has the velocity of the \$10T increased?
- Why can't people just go buy FX on an exchange in Mexico - why do you need crypto?
- Crypto is about drugs and escaping venezuela
- Are validators KYC'd
- Why not faster adoption?
- Why can't you split the company into a software business and a crypto holding - wall street likes simple stories

3:45 PM

Ground Transportation: Ron Will

Transfer to Newark Airport

TBR Global

Signage Ripple

Confirmation: 12-3258084

Driver ██████████

Key Messages:

- Our current global payments system is broken.
 - 40 year old technology; nostro/vostro system traps \$10T in capital
 - Easiest way to send money globally is to take \$10k with you on a plane.
 - → The future of global payments is the Internet of Value. Moving money as fast as information moves today.
- Digital assets helps solve this problem - providing liquidity on demand
 - XRP is best designed for payments because of its efficiency, scalability
- Ripple in 2018 - our strongest year to date. 2019 we're full steam ahead and off to an aggressive start.
 - In January, we announced that we now have signed 200+ customers on RippleNet. In 2018, we signed between 2-3 customers per week on average, and expanded to 300 employees globally.
 - Financial institutions are using XRP for liquidity, including the first bank, ██████████
- Ripple works with the system (regulators, policymakers, central banks), not around it

Discussion questions:

The following five questions are from ██████████ He said these are the ones he gets most frequently from investors:

Q: Investors are trying to figure out to what extent there is client progress/momentum with xCurrent and xRapid. What momentum/growth metrics can you provide?

- We have three products that work interoperably with each other
 - xCurrent - messaging and settlement
 - xVia - standardized API
 - xRapid - on demand liquidity
- In January, we announced that RippleNet surpassed 200 production customers in 2018.
 - 350% increase last year in customers sending live payments, and more customers flipping the switch to leverage XRP for on-demand liquidity.
 - Signed between 2-3 customers per week on average.
 - xRapid in production - only been available since October. Announced eight deals, and have a large pipeline.

• Deals include [REDACTED]

Q: Swift is being more aggressive with their messaging and the perception is that they are more real-time. Can you talk through the pluses and minuses?

- GPI still addresses only one part of sending a payment - messaging. GPI does not have settlement built in, nor will it ever.
- GPI is made by big banks for big banks, but the ecosystem is much bigger than that.
- Fastest growing segment of payments is e-commerce (makes up 20% of global payments today), and those payments are typically too small for SWIFT.
 - SWIFT is good at processing the huge treasury payments that [REDACTED] and [REDACTED] have long made their money by providing the liquidity for.
 - These banks make their money by FX, so why would they want the system to change? The problem is that these old methods are not optimized for the growing market of other types of payments like e-commerce, remittance, etc.
- xCurrent versus xRapid. Where is the real product push coming from?
 - We launched xCurrent in early 2016 and xRapid at the end of 2018
 - So, naturally we have more customers using xCurrent as it's been out in the wild longer
 - But, we're very pleased with our progress around xRapid given it's only been available for a short period of time
- What is the long term plan for the tokens?
 - XRP will continue to provide value in liquidity for cross border payments because it's faster, cheaper and more scalable
 - Payments is Ripple's focused use case for XRP for the foreseeable future but others can and do use XRP for other use cases.
- Why are you out talking to investors now? What is the motivation? What are LT plans for company? Continued self funding or other?

Proposed "new" questions stemming from recent announcements:

Q: What is Ripple's response to the IBM/Stellar announcement to launch a blockchain-based, cross-border payment service

- Continued validation of our strategy [REDACTED] etc.)

- Their track record of getting out of the lab has not been a good one
- Fundamentally, not solving the actual problem - that global payments infrastructure is centralized - [REDACTED] SWIFT, and the rest of the old guard attempt innovation with blockchain but do not solve the centralization issue.
 - IBM's positioned itself as the central operator of the Stellar network.
 - Approving all validators, whereas RippleNet institutions (not Ripple) choose which validators validate a given transaction.
 - A USD-backed stablecoin doesn't solve geopolitics. It's not a happy solution for many countries.
 - A *universal* bridge asset has to be geopolitically neutral.
 - Trust the math vs. any country, bank or other entity.
 - No one network will scale to serve the ever-expanding capacity needs of global payments.
 - Our ILP-based approach

Q: How does the Ripple's solution differ from what Facebook is going to do?

- Not a ton of expertise here with FB.
- They could have a peanut butter problem - spreading themselves too thin.
- Facebook has some debt in the "trust" department to rebuild before it's likely to be widely adopted.

Q: How does recent consolidation in the payments sector (FIS for [REDACTED] impact Ripple?

- Consolidation in this space is quickly ramping up.
 - Blockchain and crypto industry is on the same trajectory as in the early days of the Internet. Explosive interest and investment dollars in shiny new tech - some companies/use cases were good, many bad - and when hype outpaced reality, the market crashed. Players without solid use cases had to consolidate.
 - But the strong survived. Those businesses with sound models, who were solving real problems and serving real customers, laid the early foundation for today's Internet. Some of them growing into the most valuable companies in the world.
- Many of these deals are cross-border payments-related. Validation for our strategy that it's a strategic market to go after.
 - \$10 trillion parked in nostro/vostro accounts around the world. Imagine if you could free up that capital!
- There is clear fragmentation within the payments market. If you don't solve for the underlying infrastructure layer, then you're not solving the fundamental problem.
 - [REDACTED] owns Venmo but those are still not interoperable.

Q: What is Ripple's business model?

- We're enterprise software, and we sell software to financial institutions around the world
- It happens to be that those technologies are crypto, blockchain and proprietary
- Real time, low cost transactions
- We've signed up over 200 customers
- 500% increase in number of accounts

- Once you sign well known folks, credibility begets credibility
- More nodes = more valuable the network
- Middle east, SE Asia, etc huge hotbeds for us
- Smaller countries with more crossborder transactions - they are leaning in more
- Discuss XRP business model - speculation vs Ripple driving utility

Q: The blockchain and crypto landscape has clearly evolved from the hype of 2017 and the downturn of 2018. Where do we stand now, and how has your opinion changed over the years?

- 5 years ago - crypto was synonymous with Silk Road.
 - Similar to where we were when the internet first came on the scene.
- Two years later - all speculation.
 - Lots of people on the bandwagon - from [REDACTED]
- 2018 was the hangover and those without real use cases struggled to survive - layoffs, regulation crackdowns and lots of scams.
 - We saw the demise of ICO scams and companies without use cases.
- 2019 - year of growth and maturity. Real use cases, solving actual problems - transparency is key.

Q: What do you think are the biggest misconceptions as it relates to crypto and blockchain in the payments space?

- All blockchains are created equal, one blockchain will rule them all
 - There is no way everyone moves to one blockchain.
- (Big) Banks creating their own cryptocurrency is big news.
 - [REDACTED] coin on [REDACTED] internal network that is pegged to the dollar - why do you even need crypto for this? This is not blockchain, this is just moving money around whether it's in dollars or [REDACTED] coins.
- We've moved past the idea that crypto is solely for bad actors, but there's still a long way to go.

Q: Let's go into Ripple. What is the relationship between XRP and Ripple? How do moves in XRP impact Ripple? How should the ultimate success of Ripple impact XRP's trading value?

- Ripple is a company that sells software to financial institutions. XRP is a digital asset.
- Ripple uses XRP as part of xRapid for liquidity, because it's faster, cheaper and more scalable.
 - These characteristics make it ideal to use for cross-border payments, but others can and do use XRP for various use cases.
- XRP exists independently of Ripple. The XRP Ledger is free, open-source, decentralized technology. Others develop and use it. If Ripple went away tomorrow, the Ledger would continue to exist.
 - Ripple cannot control XRP markets. Look at correlation - Ripple had its best year ever in 2018 and the price of XRP was down over 90% from January 2018 to the end of the year.
 - There is more correlation when exchanges list XRP (or are rumored to). For example - Coinbase Pro listing XRP this week, and the price increased by 10%.
 - XRP does not give its owners shares in Ripple.

Q: Does it make sense to continue to have XRP be the primary funding source for Ripple?

- Oil comparison - Saudi Arabia, Norway, others all sell oil as their primary source of revenue.
- We also sell software licenses to financial institutions.
- For background - gold mining comparison - top 2 mining companies are merging ([REDACTED])

Q: Some say that Ripple's solutions often aren't truly blockchain-based. Is that true or what are the subtleties in blockchain application?

- This is a case of semantics and underscores what I've said before about today's crypto landscape feeling like a holy war.
 - There are people that have a vested interest in Bitcoin or Ether, and they propagate claims that Ripple is not using blockchain technology.
 - Questions around the technical purity of "blockchain" and "DLT" are non-starters in the banking and payments space.
- Ripple is a blockchain-based solution provider and our products take the best of DLT (immutability, validators and cryptography) but addresses its key limitations (privacy & scalability).
 - Ripple is not in the business of doing science experiments.
 - Many of our banking customers want to keep their transactions private, process thousands every second, and accommodate all types of currency and assets.
- Interoperability is key here. Ripple and others developed the Interledger Protocol (ILP) which is an open-source protocol that connects all these ledgers together, including blockchains.

Q: Do recent announcement from [REDACTED] and SWIFT partnering with [REDACTED] pose a threat to Ripple's business?

- Well would [REDACTED] use [REDACTED] coin? Will anyone else besides [REDACTED] What they are doing is missing the point of blockchain entirely.
 - We've come a long way when [REDACTED] which famously called digital assets frauds, is hopping on board.
 - This is essentially still correspondent banking with [REDACTED] in the middle.
 - [REDACTED] coin is pegged 1-1 with the dollar, the network is completely centralized and closed, only available to large corporate and institutional [REDACTED] clients.
 - Why even bother with the digital asset, when all you're doing is moving dollars around anyway?
 - Creating this closed network is basically like [REDACTED] launching after [REDACTED] IPO.
- SWIFT [REDACTED] this is just a proof-of-concept. I'm encouraged that they now see value of blockchain, when they've dismissed it so publicly until now.
 - We don't get distracted with non-announcements like this. We're focused on putting blockchain technology and XRP into production, which is what we have done and will continue to do.
 - We've built a blockchain system that provides features like bidirectional messaging and instant settlement, which SWIFT doesn't offer and this test will not solve.

Q: Where do digital assets fit in for the future of payments?

- Domestic payment rails work well within an individual country, but problems happen when you're trying to make cross-border payments. There is no third party or global central bank that keeps track of these payments, so the world has created this complex system of correspondent banking and nostro/vostro accounts that trap an estimated \$10 trillion dollars in wasted capital.
 - Digital assets are a much more efficient way of sending money cross-border because they can provide liquidity on demand.
- Huge banks like [REDACTED] and [REDACTED] make money by charging exorbitant FX fees through the existing correspondent banking network, so they don't want the current system to change.
 - The smaller challenger banks and upstart payment providers are the ones that understand our value prop.

Q: What are your thoughts on regulation? What needs to happen for the market to mature?

- We've seen some regulatory crackdown from the US, but many other countries are far ahead.

- If the US hadn't provided direction early on when the Internet was created, we may not have had some of the greatest innovation happen here. The same thing will hold true for blockchain.
- Market maturity will happen as bad actors are weeded out, and a cohesive message is presented to regulators. We work closely with regulators around the world to help educate and inform.

OTHER QUESTIONS YOU MAY BE ASKED

Q: What is your take on Coinbase Pro listing XRP?

- I think it's a positive sign for the XRP ecosystem, especially in the US.

Q: What is holding the industry back?

- There's lots of interest, but still some major obstacles that are preventing large scale investment in the space:
 - Underdeveloped regulation has led to investment hesitation as there's a reputational risk for asset managers
 - Lack of custody solutions (so far)
 - Lack of large financial institutions and asset managers invested
- It's important to keep in mind that this entire industry has barely existed for a decade. Yes there were huge spikes in crypto prices in 2017, but when you look at the market over the course of its existence, the total market cap of digital assets is still at \$131 trillion.

Q: Decentralization—this word is thrown around a lot. What does it mean to you? Why is decentralization important?

- The term decentralization in blockchain is wildly nuanced, misunderstood and evolves depending on who you ask.
- A blockchain is decentralized when no single individual or group has control over the ledger.
 - Bitcoin and Ethereum are usually viewed as the gold standard for decentralization. The XRP Ledger is also — if not more so — decentralized than both Bitcoin and Ethereum.
 - Four groups control over 51 percent of the bitcoin mining power meaning they have total control over the validation of transactions on the blockchain.
 - The ethereum blockchain has a similar problem.
 - XRP Ledger has over 150 known validators, of which Ripple operates only 7 (less than 4% of the total).
- Decentralization will move the market forward. The crypto industry was not created for the few.
 - Imagine a world where money could move as easily as information does. There is no central party controlling this, putting the power back into the hands of the people. We want digital assets to do for value, what the Internet did for information. With digital assets, everyone can take money movement into their own hands.

Q: Folks have brought up market volatility of crypto prices as a reason to be worried to invest. What would you say to them?

- XRP settles in seconds, which means you are exposed to limited volatility during the course of the transaction.
- EXAMPLE: A USD transaction, e.g. through SWIFT, takes 1-5 business days, so let's say it takes three days. XRP transactions complete in three seconds. That's nearly 100k times faster! So XRP can be that much more volatile and still see less variance in price than an international, fiat currency transfer through SWIFT.
- Also, with a normal SWIFT transfer, you don't know how long it will take, which means more uncertainty around volatility. With XRP, you know it will take under 5 seconds.

Post-NDR feedback

Debrief follow-up:

In response to the feedback, Monica suggested the following updates to the story/deck:

1. Frame up the legacy system today - it's not just SWIFT, it's [REDACTED] and other major players. The opportunity is bigger than replacing SWIFT.
2. In that context, include the next layer of detail as to how today's system is failing the demands of 2019 and beyond.
3. Revisit our customer examples to feature the best we have (clearest use cases and results).
4. Work with [REDACTED] to expand the business model section to better articulate how the network can accrue value. Maybe we start with a framework for how they should think about the value of the network and then show 3-4 ways that value can translate to revenue (XRP sales, transactions, data, software).

I will work with [REDACTED] (and her team) to update the deck accordingly. In addition, to address Brad's request for a more scripted narrative, we will add a talk track in the next briefing document and allocate time for discussion/rehearsal in our next meeting prep.